

# VENTURA HARBOR VILLAGE MARINA

## \$1,500,000 LOAN

### *Feasibility Report*

*(March 2000)*



State of California  
The Resources Agency  
DEPARTMENT OF BOATING AND WATERWAYS

## **GENERAL DESCRIPTION**

### **Loan Applicant**

The loan applicant for this project is the Ventura Port District.

### **Project Identification**

The proposed project will renovate the existing Ventura Harbor Village Marina. The Ventura Port District has requested a loan of \$1,500,000 to finance the project.



### **Project Location**

The Ventura Harbor Village Marina is located in the City of Ventura along the southern California coast approximately 60 miles northwest of Los Angeles and 30 miles southeast of Santa Barbara.

### **Access to Project**

Ventura Harbor Village Marina is reached by exiting U.S. 101 at Seaward Avenue and traveling west to Harbor Boulevard. Proceed south on Harbor Boulevard and turn west on Spinnaker Drive which leads to the marina.

### **Area Description**

The Ventura Harbor consists of 200 acres of land and 120 acres of water, the development of which began in 1960. The Ventura Port District operates and maintains the basic harbor infrastructure and public facilities while leasing other boating related facilities to private enterprise. Ventura Harbor supports approximately 1,400 berths, a boat launching facility, public restrooms, a boat repair yard, fuel docks, charter fishing operations, commercial fishing support facilities, and a harbor patrol.



The Ventura Harbor Village Marina, constructed in 1981, is one of four marinas in Ventura Harbor and occupies the southern portion of the harbor. It has 200 slips ranging in length from 30 to 100 feet, a commercial fish buying facility, a 150-ton lift and travel lift for hoisting boats, and Ventura Harbor Village, with over 40 specialty shops and restaurants combined with offices and open spaces.

The berthing system at the marina is composed of wood-framed docks with reinforced concrete-covered floatation units and wooden decking. Concrete piles anchor the docks and electrical power and potable water service is provided to each slip. A 12 foot-wide concrete promenade rims the marina and separates the Ventura Harbor Village retail complex from the marina docks.



Both the Ventura Harbor Village Marina and the Ventura Harbor Village are managed by the Ventura Port District.

### **Previous Commission Action**

The Boating and Waterways Commission has previously consented to the following loans to the Ventura Harbor District:

In FY 1958-59 the Commission approved a loan for \$900,000 for land purchase of the harbor.

In FY 1968-69 the Commission approved a loan for \$3,000,000 to construct a detached 1,500 foot breakwater.

In FY 1987/88 the Commission approved a planning loan for \$225,000.

In FY 1990-91 the Commission approved a loan for \$1,600,000 to construct a 300 foot extension to the southerly end of the detached breakwater, construct a spur groin to the north jetty, construct a new south groin, and deepen the entrance channel.

In FY 1991/92, the Commission approved a loan for \$100,000. The loan has not been drawn down to date.

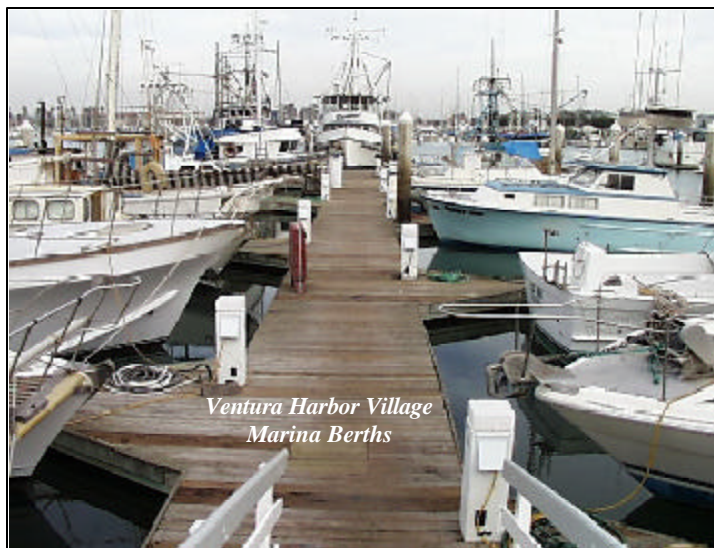


*Ventura Harbor Village Marina*

## **ENGINEERING CONSIDERATIONS**

### **Proposed Project**

This project will rehabilitate most of the docks in the marina, reconfigure others, rehabilitate gangways, repair the rock slope protection in the marina, and repair portions of the concrete promenade. For the location of the proposed improvements in the marina, please see the site plan on page 8.



*Ventura Harbor Village  
Marina Berths*

***Dock and Gangway Rehabilitation:*** Docks 3, 4, C, D, E, F, G and associated gangways are 18 years old and are at the point in their life cycles where major rehabilitation now will ensure sustained longevity of the product. The total rehabilitation work will be divided into finger rebuilding, decking replacement, rub strip and miscellaneous hardware replacement, and gangway servicing components.

Approximately 25 percent of the fingers on the above-mentioned docks are experiencing torsional distress. Problems with the flotation, the crossmember bracing, or both, cause twisting of the finger docks. Affected finger docks will be rebuilt or replaced on an as-needed basis.

Approximately 45 percent of the existing wood decking is split, chipped, worn or uneven. The decking will be replaced with equivalent material as part of this project. Additionally, a number of pile guides and pile caps are damaged or missing and will be replaced.

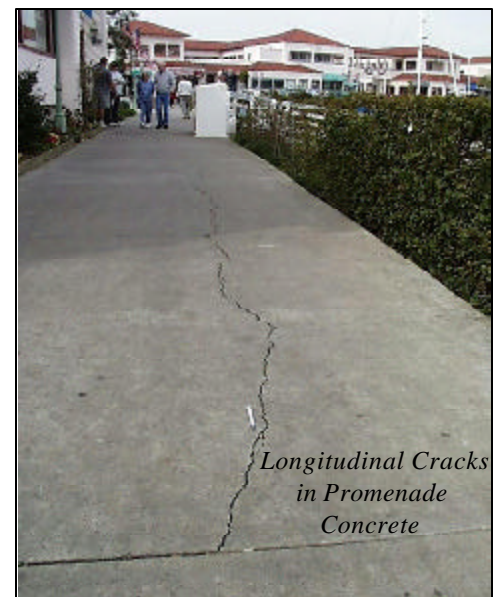
The gangways have been well maintained and are only in need of light sanding and painting.



***Dock Reconfiguration:*** Dock B and a portion of Dock C are worn beyond the point where rehabilitation will provide satisfactory results. These docks will be replaced in a new configuration that addresses current public demand for larger berths and the directive in the certified Local Coastal Program to increase slip and wharf space for commercial vessels.

***Rock Slope Protection and Promenade Repair:*** The embankment along the entire marina basin is exhibiting a gradual downward migration of soil and protective slope armoring. This movement of soil has left portions of the adjacent concrete promenade unsupported, resulting in the formation of large, longitudinal cracks and steep drop-offs next to the walk.

The proposed project work includes rebuilding the basin embankment, restoring the rock slope protection, and strengthening and repairing the concrete promenade.



**Cost Estimate**

<b>Dock and Gangway Rehabilitation</b>	<b>\$ 600,000</b>
<b>Dock Reconfiguration</b>	<b>280,000</b>
<b>Rock Slope Protection &amp; Promenade Repair</b>	<b><u>430,000</u></b>
<b>SUBTOTAL</b>	<b>1,310,000</b>
<b>Engineering/ Inspection</b>	<b>95,000</b>
<b>Contingency</b>	<b><u>95,000</u></b>
<b>TOTAL</b>	<b>\$ 1,500,000</b>

**Conclusion**

There are no particularly difficult or unusual problems associated with this project and it falls within the normal range of practice for design and construction of projects of this type. Therefore, the proposed project is considered feasible from an engineering standpoint at a total estimated cost of \$1,500,000.

**FINANCIAL ANALYSIS**

A loan project is assumed to be financially feasible if: (1) sufficient capital is available to finance construction to completion; (2) estimated annual revenues are sufficient to cover total annual expenses; and (3) there is adequate collateral security for the proposed loan.

**Capital**

Total cost of the Ventura Harbor Village Marina rehabilitation project is expected to be \$1,500,000. The Ventura Harbor District will use Department of Boating and Waterways loan funds to finance these costs. There is, therefore, sufficient capital to construct the facilities to completion.

**Revenues and Expenses**

A project's financial feasibility also depends on whether there will be sufficient revenue to pay for project expenses on an annual basis, including the repayment of the proposed Department of Boating and Waterways loan. The estimated revenues, expenses, and debt service (see Table 1) are as follows:

***Revenues***

Revenues to repay the Department of Boating and Waterways loan will be generated from the Ventura Port District. Annual gross income from the Port District is estimated at \$5,574,000 (see Table 1). The Port District will also cover maintenance and reserve expenses.



**TABLE 1**  
**Ventura Port District**  
**Cash Flow Projection**  
**(000's)**

	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
<b>REVENUES<sup>1</sup></b>							
Operating Revenue	4,075	4,270	4,394	4,537	4,783	4,885	4,968
Non-Operating Revenues	757	691	676	677	683	689	695
<b>TOTAL REVENUE</b>	<b>4,832</b>	<b>4,961</b>	<b>5,070</b>	<b>5,215</b>	<b>5,466</b>	<b>5,574</b>	<b>5,663</b>
<b>EXPENSES<sup>2</sup></b>							
Operating Expense	2,940	3,040	3,144	3,252	3,363	3,479	3,599
Non-Operating Expense	335	335	285	188	189	191	192
Dredging Expense	300	300	300	200	300	300	300
Dock Maintenance		45	45	45	45	45	45
Debt Service							
DBW <sup>3</sup>					206	206	206
FY 2000/01 <sup>4</sup>						105	105
Bond Retirement	956	956	956	1,174	1,169	1,169	1,168
<b>TOTAL EXPENSE</b>	<b>4,531</b>	<b>4,676</b>	<b>4,731</b>	<b>4,858</b>	<b>5,273</b>	<b>5,494</b>	<b>5,614</b>
<b>NET REVENUE</b>	<b>\$ 300</b>	<b>\$ 284</b>	<b>\$ 339</b>	<b>\$ 356</b>	<b>\$ 193</b>	<b>\$ 79</b>	<b>\$ 49</b>

1) Revenues are for both Ventura Port District and Ventura Harbor Village.

2) Expenses are for both Ventura Port District and Ventura Harbor Village.

3) Previous DBW debt was combined during the Ventura bankruptcy into a 50 year loan@4.5%.

4) 30 year loan @4.5%.

### **Expenses**

The Department estimates the annual debt service on the proposed \$1,500,000 loan to be \$105,000, commencing in 2005. Total annual expenses for the Port District are estimated at \$5,494,000. A breakdown of revenues and expenses for the Harbor Department are shown in Table 1.

### **Collateral**

The Ventura Port District has proposed a pledge of Net Revenues to the Department of Boating and Waterways as loan collateral. The Department would take a subordinate position on all Net Revenues and all amounts deposited in the Revenue Fund and other funds and accounts created for the payment of contracts and bonds behind the Port District's *Series 1998 Installment Payments* and previous Department loans.

### **Reserves**

The Ventura Port District currently has a dredging reserve account in the amount of \$3,000,000, and allocates approximately \$300,000 per year to the dredging reserve. The Port District is also establishing a maintenance reserve for the docks @ 3% of the proposed loan amount per annum (\$45,000).

**Financial Considerations**

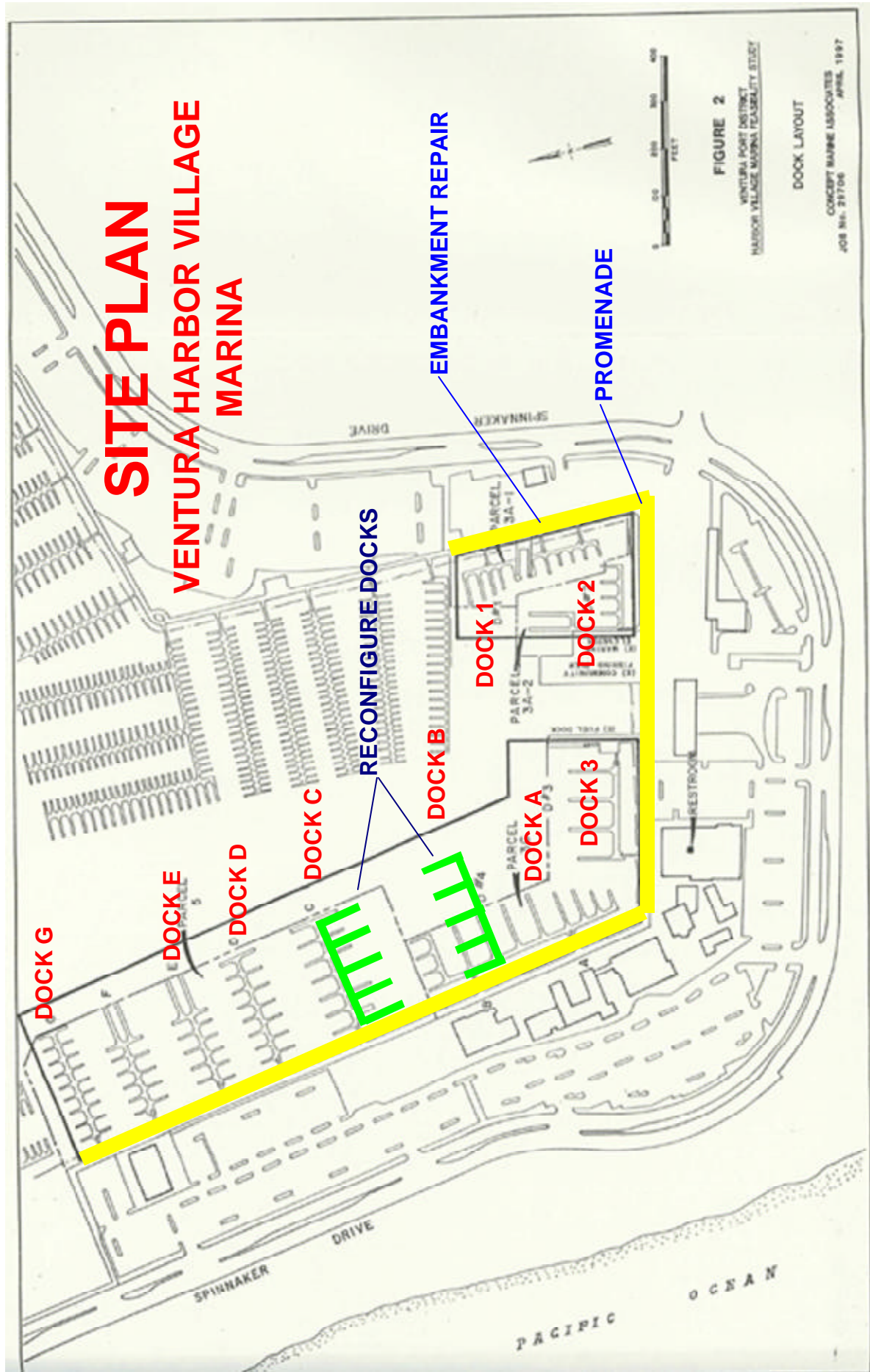
The completed project will be open to all on an equal and reasonable basis. The Ventura Port District charges monthly recreational berthing rates of \$7.90 per foot; monthly commercial berthing rates of \$6.90 per foot; and monthly charter berthing rates of \$7.25 per foot.

**Conclusion**

As shown in this report, it is expected that the requisite factors necessary to establish the project's financial feasibility will be met. There is adequate capital to finance the project, estimated revenues exceed estimated expenses, and the Ventura Port District will provide adequate collateral for the proposed loan. Therefore, the Ventura Harbor Village Marina project, as proposed, is considered financially feasible.

**RECOMMENDATION**

The Department of Boating and Waterways recommends that its Commission consent to this \$1,500,000 loan to the Ventura Port District for the renovation of the Ventura Harbor Village Marina.



DOCK F